



April 4, 2003

Dear Residential Water Heater Stakeholder:

Since September 2002, the Department of Energy (DOE) has held initial discussions with residential water heater stakeholders to discuss the potential addition of this product to the ENERGY STAR program. At this time, the Department is providing the attached analysis on potential approaches to developing ENERGY STAR criteria for residential water heaters for review and comment. We would like to work with stakeholders to ensure this proposed addition to the ENERGY STAR program meets our objectives of increasing energy savings, exceeding minimum Federal standards, and offering a consumer-friendly approach to selecting high-performance water heaters.

During the week of April 14, 2003, the Environmental Protection Agency (EPA) and DOE will host the ENERGY STAR awards coincident with Consortium for Energy Efficiency (CEE) and the American Council for an Energy Efficient Economy (ACEEE)'s 2003 *NATIONAL SYMPOSIUM ON MARKET TRANSFORMATION*. To benefit from the fact that some partners may be in Washington for the awards or symposium, DOE will host a short, informal meeting, from 1-3 PM at DOE (Room GH027), to discuss general progress and gather feedback on Wednesday, April 16, 2003. Please contact Ray McGowan, rmcgowan@drintl.com, if you would like to attend. Please contact Richard Karney (Richard.Karney@EE.DOE.GOV) if you are not a U.S. citizen for proper security clearances. This will not be a formal ENERGY STAR water heater stakeholder meeting to obtain comments on draft criteria. We expect to issue such a document later this Spring. All water heater stakeholders will be invited to a formal stakeholder meeting, expected to be held during the summertime, to discuss criteria setting.

Please provide any comments on this paper by May 15, 2003. Your comments will be considered as the Department drafts the formal criteria for review. You may send them electronically to richard.karney@ee.doe.gov or by fax at 202-586-4617. The Department hopes to issue the final ENERGY STAR water heater criteria by October 1, 2003, with an effective date of January 20, 2004 (coincident with the new federal water heater standard).

The analysis is posted on the Internet at http://www.energystar.gov/index.cfm?c=prod_development.water_heaters and included with this letter. All commentary will be posted on this web site as well.

Sincerely,

Richard H. Karney, P.E., Manager
ENERGY STAR Program
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